

FRAUD AND ABUSE QUIZ

1. You have been going to the same physician for many years. One day he says, "Since you are such a good patient, I'm not going to charge you for the Medicare deductible and coinsurance. I'll just take whatever Medicare pays me and write off the rest." Is this fraud?
2. A friend of yours is admitted, as an inpatient, to the hospital for an overnight stay. After she is discharged, she calls you and says, "I can't believe how much the hospital overcharged Medicare! The hospital bill was \$1,685 and Medicare paid over \$3,000." Is Medicare being robbed?
3. You and your wife, who uses a cane, attend a free health care screening at the local mall. In return for giving the staff your Medicare numbers, you get your blood pressure tested and receive some nutritional counseling information. A week later you get a call from a supplier who tells you that Medicare will give your wife a free wheelchair. The supplier tells you, "Don't worry, we will get Medicare to approve it, and it won't cost you or your wife a cent." Is this fraud?
4. Your brother is receiving post-hospital care in a Medicare-approved skilled nursing facility. One day, while you are visiting, you find out that the skilled nursing facility is receiving boxes of urinary incontinence pads in your brother's name. Nobody at the facility seems to know who ordered them or where they came from. You know that your brother does not need them. Some time later, as you are helping your brother sort through his bills, you find a Medicare Summary Notice that shows that Medicare paid the XYZ Medicare-supply Company for two cases of urinary incontinence pads. Neither you nor your brother has ever heard of this company.
5. Your neighbor spends seven days in the hospital for surgery. After he is discharged, he gets a statement from a radiologist for interpretation of X-rays while he was in the hospital. The statement says that Medicare has been billed for the service. "This is fraud!" your neighbor angrily yells, "I never saw any radiologist while I was in the hospital! I'm going to call Medicare and tell them not to pay this bill." Is the radiologist guilty of fraud?
6. Your husband goes to a hospital to have his pacemaker removed. He checks into the hospital in the morning and is released later that evening. It seems to be a fairly severe surgery and you think you will be charged the Part A deductible of \$764. A month later you receive a Medicare Summary Notice, which says you owe \$3,657.32. You also notice that Medicare is paying \$7,345.56. Are you and Medicare both being abused?
7. Your doctor prescribes hydrotherapy and range of motion exercises once a week for treatment of your arm. You arrange for the therapy at a rehabilitation agency. Staff at the agency tell you that you really need to come in twice a week, and promise to take care of it with Medicare. When you get your Medicare Summary Notice, you notice that the agency has been billing Medicare and your supplemental insurance for three treatments a week instead of two. Since your supplemental policy covers the coinsurance, there is no cost to you. Is there fraud or abuse in this case?

ANSWERS TO THE QUIZ

1. Your doctor is violating Medicare law by not charging you for the deductibles and coinsurance. Medicare payments are based on the lower of the physician's accrual charge or the Medicare fee schedule established in your area. If the doctor routinely does not charge you for the deductible and coinsurance, then his "actual charge" is really less than what he bills Medicare.

2. This is probably not a fraudulent situation. Under Medicare's Prospective Payment System for hospital inpatient stays, the hospital receives a fixed amount for the stay based on the patient's diagnosis. The Medicare payment may be more or less than what it actually costs the hospital to provide the service. However, it's always a good idea to check the hospital's statement to see how much Medicare paid. If the Medicare payment seems unreasonable high based on the length of stay or the types of services, the hospital may have submitted the wrong information to Medicare. You can always request Medicare to review the payment if it seems incorrect.

3. This is definitely a fraudulent situation. A basic rule is to NEVER give your Medicare number out in return for a "free" service. This supplier is trying to make money by providing something the person does not really need. Only your physician can legitimately write a prescription for a wheelchair or other piece of durable medical equipment. In addition, using equipment that is not

necessary and ordered by a physician might lead to diminished physical capacity and stamina and could even cause harm.

4. This is another fraudulent situation. The supplier is billing Medicare for something the patient did not receive.

5. There are times when physicians provide diagnostic and interpretative services to hospital inpatients even though the patient never sees them. If this radiologist's bill shows services provided during the same time frame as the hospital stay, it is probably legitimate. However, as always, you should review all bills and the Medicare Summary Notice.

6. Probably not. Chances are your husband was admitted as a hospital outpatient, which means you are responsible for 20% of the hospital's charges. Always check with the hospital regarding your type of admission. Medicare is also probably not being abused. The hospital and Medicare have reached an agreement whereby Medicare pays the hospital's costs to perform the services, not the hospital's charges.

7. The rehabilitation agency is abusing Medicare in two ways. It is providing you with more treatments than your doctor ordered, and is billing Medicare for more services than you actually received.